

Information maintained by the Legislative Reference Bureau

Updating the database of the Illinois Compiled Statutes (ILCS) is an ongoing process. Recent laws may not yet be included in the ILCS database, but they are found on this site as [Public Acts](#) soon after they become law. For information concerning the relationship between statutes and Public Acts, refer to the [Guide](#).

Because the statute database is maintained primarily for legislative drafting purposes, statutory changes are sometimes included in the statute database before they take effect. If the source note at the end of a Section of the statutes includes a Public Act that has not yet taken effect, the version of the law that is currently in effect may have already been removed from the database and you should refer to that Public Act to see the changes made to the current law.

PENSIONS

(40 ILCS 5/) Illinois Pension Code.

(40 ILCS 5/Art. 2 heading)

ARTICLE 2. GENERAL ASSEMBLY RETIREMENT SYSTEM

(40 ILCS 5/2-101) (from Ch. 108 1/2, par. 2-101)

Sec. 2-101. Creation of system. A retirement system is created to provide retirement annuities, survivor's annuities and other benefits for members of the General Assembly, certain elected state officials and their beneficiaries.

The system shall be known as the "General Assembly Retirement System". All its funds and property shall be a trust separate from all other entities, maintained for the purpose of securing payment of annuities and benefits under this Article.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-102) (from Ch. 108 1/2, par. 2-102)

Sec. 2-102. Terms defined. The terms used in this Article shall have the meanings ascribed to them in Sections 2-103 through 2-116, except when the context otherwise requires.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-103) (from Ch. 108 1/2, par. 2-103)

Sec. 2-103. System.

"System": The General Assembly Retirement System.

(Source: Laws 1963, p. 161.)

(40 ILCS 5/2-104) (from Ch. 108 1/2, par. 2-104)

Sec. 2-104. Board.

"Board": The board of trustees of the system.

(Source: Laws 1963, p. 161.)

(40 ILCS 5/2-105) (from Ch. 108 1/2, par. 2-105)

Sec. 2-105. Member. "Member": Members of the General Assembly of this State including persons who enter military service while a member of the General Assembly and any person serving as Governor, Lieutenant Governor, Secretary of State, Treasurer, Comptroller, or Attorney General for the period of service in such office.

Any person who has served for 10 or more years as Clerk or Assistant Clerk of the House of Representatives, Secretary or Assistant Secretary of the Senate, or any

combination thereof, may elect to become a member of this system while thenceforth engaged in such service by filing a written election with the board. Any person so electing shall be deemed an active member of the General Assembly for the purpose of validating and transferring any service credits earned under any of the funds and systems established under Articles 3 through 18 of this Code.

(Source: P.A. 85-1008.)

(40 ILCS 5/2-106) (from Ch. 108 1/2, par. 2-106)

Sec. 2-106. Eligible member.

"Eligible member": Any member other than one who has elected not to participate.

(Source: Laws 1963, p. 161.)

(40 ILCS 5/2-107) (from Ch. 108 1/2, par. 2-107)

Sec. 2-107. Participant. "Participant": Any member who elects to participate; and any former member who elects to continue participation under Section 2-117.1, for the duration of such continued participation.

(Source: P.A. 86-1488.)

(40 ILCS 5/2-108) (from Ch. 108 1/2, par. 2-108)

Sec. 2-108. Salary. "Salary": (1) For members of the General Assembly, the total compensation paid to the member by the State for one year of service, including the additional amounts, if any, paid to the member as an officer pursuant to Section 1 of "An Act in relation to the compensation and emoluments of the members of the General Assembly", approved December 6, 1907, as now or hereafter amended.

(2) For the State executive officers specified in Section 2-105, the total compensation paid to the member for one year of service.

(3) For members of the System who are participants under Section 2-117.1, or who are serving as Clerk or Assistant Clerk of the House of Representatives or Secretary or Assistant Secretary of the Senate, the total compensation paid to the member for one year of service, but not to exceed the salary of the highest salaried officer of the General Assembly.

However, in the event that federal law results in any participant receiving imputed income based on the value of group term life insurance provided by the State, such imputed income shall not be included in salary for the purposes of this Article.

(Source: P.A. 86-27; 86-273; 86-1028; 86-1488.)

(40 ILCS 5/2-108.1) (from Ch. 108 1/2, par. 2-108.1)

Sec. 2-108.1. Highest salary for annuity purposes.

(a) "Highest salary for annuity purposes" means whichever of the following is applicable to the participant:

For a participant who first becomes a participant of this System before August 10, 2009 (the effective date of Public Act 96-207):

(1) For a participant who is a member of the General

Assembly on his or her last day of service: the highest salary that is prescribed by law, on the participant's last day of service, for a member of the General Assembly who is not an officer; plus, if the participant was elected or appointed to serve as an officer of the General Assembly for 2 or more years and has made contributions as required under subsection (d) of Section 2-126, the highest additional amount of compensation prescribed by law, at the time of the participant's service as an

officer, for members of the General Assembly who serve in that office.

(2) For a participant who holds one of the State executive offices specified in Section 2-105 on his or her last day of service: the highest salary prescribed by law for service in that office on the participant's last day of service.

(3) For a participant who is Clerk or Assistant Clerk of the House of Representatives or Secretary or Assistant Secretary of the Senate on his or her last day of service: the salary received for service in that capacity on the last day of service, but not to exceed the highest salary (including additional compensation for service as an officer) that is prescribed by law on the participant's last day of service for the highest paid officer of the General Assembly.

(4) For a participant who is a continuing participant under Section 2-117.1 on his or her last day of service: the salary received for service in that capacity on the last day of service, but not to exceed the highest salary (including additional compensation for service as an officer) that is prescribed by law on the participant's last day of service for the highest paid officer of the General Assembly.

For a participant who first becomes a participant of this System on or after August 10, 2009 (the effective date of Public Act 96-207) and before January 1, 2011 (the effective date of Public Act 96-889), the average monthly salary obtained by dividing the total salary of the participant during the period of: (1) the 48 consecutive months of service within the last 120 months of service in which the total compensation was the highest, or (2) the total period of service, if less than 48 months, by the number of months of service in that period.

For a participant who first becomes a participant of this System on or after January 1, 2011 (the effective date of Public Act 96-889), the average monthly salary obtained by dividing the total salary of the participant during the 96 consecutive months of service within the last 120 months of service in which the total compensation was the highest by the number of months of service in that period; however, beginning January 1, 2011, the highest salary for annuity purposes may not exceed \$106,800, except that that amount shall annually thereafter be increased by the lesser of (i) 3% of that amount, including all previous adjustments, or (ii) the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1. "Consumer price index-u" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the Board by November 1 of each year.

(b) The earnings limitations of subsection (a) apply to

earnings under any other participating system under the Retirement Systems Reciprocal Act that are considered in calculating a proportional annuity under this Article, except in the case of a person who first became a member of this System before August 22, 1994.

(c) In calculating the subsection (a) earnings limitation to be applied to earnings under any other participating system under the Retirement Systems Reciprocal Act for the purpose of calculating a proportional annuity under this Article, the participant's last day of service shall be deemed to mean the last day of service in any participating system from which the person has applied for a proportional annuity under the Retirement Systems Reciprocal Act.

(Source: P.A. 96-207, eff. 8-10-09; 96-889, eff. 1-1-11; 96-1490, eff. 1-1-11.)

(40 ILCS 5/2-109) (from Ch. 108 1/2, par. 2-109)

Sec. 2-109. Military service. "Military service": Service in the United States Army, Navy, Air Force, Marines or Coast Guard or any women's auxiliary thereof.

(Source: P.A. 87-794.)

(40 ILCS 5/2-110) (from Ch. 108 1/2, par. 2-110)

Sec. 2-110. Service.

(A) "Service" means the period beginning on the day when a person first became a member, and ending on the date under consideration, excluding all intervening periods of nonmembership following resignation or expiration of any term of office.

(B) "Service" includes:

(a) Military service during war by a person who entered such service while a member, whether rendered before or after the expiration of any term of office; plus up to 2 years of military service that need not have immediately followed service as a member, and need not have been served during wartime, provided that the member makes contributions to the System for such service (1) at the rates provided in Section 2-126 based upon the member's rate of compensation on the last date as a participant prior to such military service, or on the first date as a participant after such military service, whichever is greater, plus (2) if payment is made on or after May 1, 1993, an amount determined by the Board to be equal to the employer's normal cost of the benefits accrued for such military service, plus (3) interest at the effective rate from the date of first membership in the System to the date of payment.

The amendment to this subdivision (B)(a) made by this amendatory Act of 1993 shall apply to persons who are active contributors to the System on or after November 30, 1992. A person who was an active contributor to the System on November 30, 1992 but is no longer an active contributor may apply to purchase military credit under this subdivision (B)(a) within 60 days after the effective date of this amendatory Act of 1993; if the person is an annuitant, the resulting increase in annuity shall begin to accrue on the first day of the month following the month in which the required payment is received by the

System. The change in the required contribution for purchased military credit made by this amendatory Act of 1993 shall not entitle any person to a refund of contributions already paid.

(b) Service as a judge of a court of this State, but credit for such service is subject to the following conditions: (1) such person shall have been a member for at least 4 years and contributed to the system for service as a judge subsequent to July 8, 1947, at the rates herein provided, including interest at 2% per annum to the date of payment based on the salary in effect during such service; (2) the member was not an eligible member of nor entitled to credit for such service in any other retirement system in the State maintained in whole or in part by public contributions; and (3) the last 4 years of service prior to retirement on annuity was rendered while a member.

(c) Service as a participating employee under Articles 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 or 18 of the Illinois Pension Code. Credit for such service may be established by a member and, if permitted by the credit transfer Section of the appropriate Article, by a former member who is not yet an annuitant, and is subject to the following conditions: (1) that the credits accrued under the above mentioned Articles have been transferred to this system; and (2) that the member has contributed to this system an amount equal to (i) the contribution rate in effect for participants at the date of membership in this system multiplied by the salary then in effect for members of the General Assembly for each year of service for which credit is being transferred, plus (ii) the State's share of the normal cost of benefits under this system expressed as a percent of payroll, as determined by the system's actuary as of the date of the participant's membership in this system, multiplied by the salary then in effect for members of the General Assembly, for each year of service for which credit is being transferred, plus (iii) interest on items (i) and (ii) above at 6% per annum compounded annually, from the date of membership to the date of payment by the participant, less (iv) the amount transferred to this system on behalf of the participant on account of service rendered while a participant under the above mentioned Articles.

(d) Service, before October 1, 1975, as an officer elected by the people of Illinois, for which creditable service is required to be transferred from the State Employees' Retirement System to this system by this amendatory Act of 1975.

(e) Service rendered prior to January 1, 1964, as a justice of the peace or police magistrate or as a civil referee in the Municipal Court of Chicago, but credit for such service may not be granted until the member has paid to the system an amount equal to (1) the contribution rate for participants at the date of membership in this system multiplied by the salary then in effect for members of the General Assembly for each year of service for which credit is being transferred, plus (2) the State's share of the

normal cost of benefits under this system expressed as a percent of payroll, as determined by the system's actuary as of the date of the participant's membership in this system, multiplied by the salary then in effect for members of the General Assembly, for each year of service for which credit is allowed, plus, (3) interest on (1) and (2) above at 6% per annum compounded annually from the date of membership to the date of payment by the member. However, a participant may not receive more than 6 years of credit for such service nor may any member receive credit under this paragraph for service for which credit has been granted in any other public pension fund or retirement system in the State.

(f) Service before January 16, 1981, as an officer elected by the people of Illinois, for which creditable service is transferred from the State Employees' Retirement System to this system.

(C) Service during any fraction of a month shall be considered as a month of service.

Service includes the total period of time for which a participant is elected as a member or officer, even though he or she does not complete the term because of death, resignation, judicial decision, or operation of law, provided that the contributions required under this Article for such entire period of office have been made by or on behalf of the participant. In the case of a participant appointed or elected to fill a vacancy, service includes the total period from January 1 of the year in which his or her service commences to the end of the term in which the vacancy occurs, provided the participant contributes in the year of appointment an amount equal to the contributions that would have been required had the participant received salary for the entire year. The foregoing provisions relating to a participant appointed or elected to fill a vacancy shall not apply if the participant was a member of the other legislative chamber at the time of appointment or election.

(D) Notwithstanding the other provisions of this Section, if application to transfer or establish service credit under paragraph (c) or (e) of subsection (B) of this Section is made between January 1, 1992 and February 1, 1993, the contribution required for such credit shall be an amount equal to (1) the contribution rate in effect for participants at the date of membership in this system multiplied by the salary then in effect for members of the General Assembly for each year of service for which credit is being granted, plus (2) interest thereon at 6% per annum compounded annually, from the date of membership to the date of payment by the member, less (3) any amount transferred to this system on behalf of the member on account of such service credit.

(Source: P.A. 86-27; 86-1028; 87-794; 87-1265.)

(40 ILCS 5/2-110.1) (from Ch. 108 1/2, par. 2-110.1)

Sec. 2-110.1. Service credit for elected county, township or municipal official. An active participant having no creditable service as a participating employee under Article 7 of this Code may establish service credit in this system for periods during which the participant held an elective office in a county, township or

municipality, (including the full term for which elected if he or she resigned such office to enter the armed forces of the United States), provided the member cannot establish service credit under Article 7 for such periods because the county, township or municipality did not and does not subscribe to coverage for that office under that Article. Credit for such service may be established in this system by the participant paying to this system an amount equal to (1) the contribution rate in effect for participants at the date of membership in this system multiplied by the salary then in effect for the members of the General Assembly for each year of service for which credit is allowed, plus (2) the State's share of the normal cost of benefits under this system expressed as a percent of payroll, as determined by the system's actuary as of the date of the participant's membership in this system multiplied by the salary then in effect for members of the General Assembly, for each year of service for which credit is allowed, plus (3) interest on (1) and (2) above at 4% per annum compounded annually from the date of membership to the date of payment by the participant.

However, if application for such credit is made between January 1, 1992 and April 1, 1992, the applicant need not pay the amount indicated in item (2) above, but only the sum of items (1) and (3).

(Source: P.A. 87-794.)

(40 ILCS 5/2-110.2) (from Ch. 108 1/2, par. 2-110.2)

Sec. 2-110.2. Age enhancement. Any member or former member who receives any age enhancement under Section 14-108.3 of this Code shall be entitled to use such age enhancement under the Retirement Systems Reciprocal Act for the purpose of establishing eligibility for and calculating the amount of a retirement annuity payable under this Article, notwithstanding the provisions of subsection (b) of Section 14-108.3.

(Source: P.A. 87-794.)

(40 ILCS 5/2-111) (from Ch. 108 1/2, par. 2-111)

Sec. 2-111. Annuity. "Annuity": A series of monthly payments payable at the end of each calendar month during the life of an annuitant. The first payment shall be prorated for a fraction of a month to the end of the first month. The last payment shall be made for the whole calendar month in which death occurs.

(Source: P.A. 86-273.)

(40 ILCS 5/2-112) (from Ch. 108 1/2, par. 2-112)

Sec. 2-112. Annuitant. "Annuitant": A person receiving a retirement annuity or survivor's annuity.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-113) (from Ch. 108 1/2, par. 2-113)

Sec. 2-113. Refund beneficiary.

"Refund beneficiary": The person entitled to receive refunds of a deceased participant's contributions.

(Source: Laws 1963, p. 161.)

(40 ILCS 5/2-114) (from Ch. 108 1/2, par. 2-114)

Sec. 2-114. Actuarial tables.

"Actuarial tables": Tabular listings of assumed rates of death, disability, retirement and withdrawal from service and mathematical functions derived from such rates combined with an assumed rate of interest based upon the experience of the

system as adopted by the board upon recommendation of the actuary.
(Source: Laws 1963, p. 161.)

(40 ILCS 5/2-115) (from Ch. 108 1/2, par. 2-115)
Sec. 2-115. Prescribed rate of interest.

"Prescribed rate of interest": 3% per annum compounded annually, or such other rate determined from the actual experience of the system as may be prescribed by the board.

(Source: Laws 1963, p. 161.)

(40 ILCS 5/2-116) (from Ch. 108 1/2, par. 2-116)
Sec. 2-116. Fiscal year.

"Fiscal year": The period beginning on July 1 in any year and ending on June 30 of the next succeeding year.

(Source: Laws 1963, p. 161.)

(40 ILCS 5/2-117) (from Ch. 108 1/2, par. 2-117)
Sec. 2-117. Participants - Election not to participate.

(a) Every person who was a member on November 1, 1947, or in military service on such date, is subject to the provisions of this system beginning upon such date, unless prior to such date he or she filed with the board a written notice of election not to participate.

Every person who becomes a member after November 1, 1947, and who is then not a participant becomes a participant beginning upon the date of becoming a member unless, within 24 months from that date, he or she has filed with the board a written notice of election not to participate.

(b) A member who has filed notice of an election not to participate (and a former member who has not yet begun to receive a retirement annuity under this Article) may become a participant with respect to the period for which the member elected not to participate upon filing with the board, before April 1, 1993, a written rescission of the election not to participate. Upon contributing an amount equal to the contributions he or she would have made as a participant from November 1, 1947, or the date of becoming a member, whichever is later, to the date of becoming a participant, with interest at the rate of 4% per annum until the contributions are paid, the participant shall receive credit for service as a member prior to the date of the rescission, both before and after November 1, 1947. The required contributions shall be made before commencement of the retirement annuity; otherwise no credit for service prior to the date of participation shall be granted.
(Source: P.A. 86-273; 87-1265.)

(40 ILCS 5/2-117.1) (from Ch. 108 1/2, par. 2-117.1)
Sec. 2-117.1. Participants - Election to continue participation.

(a) Any person who has served as a member for 4 or more years or who has elected to become a member pursuant to Section 2-105, and who is employed in such a position as to be eligible to actively participate in one of the retirement systems established under Articles 5 through 18 of this Code or under the authority of the Illinois Housing Development Act, and who earns in that capacity, at the time of making an election under this subsection, an amount at least equal to the minimum salary provided by law for members of the General Assembly, may elect after he or she ceases to be a member, but in no event after June 1, 1992, to continue his or her participation in this System for up to 4 additional years instead of participating in such other retirement system, by making written application to the board.

(b) A person who elects to continue participation under this Section shall make contributions directly to the board, not less frequently than monthly, at the rates specified for participants under Section 2-126. The State shall continue to make contributions on behalf of persons participating under this Section on the same basis as for other participants.

Creditable service shall be granted to any person for the period, not exceeding 4 years, during which the person continues participation under this Section and continues to make contributions as required.

(c) A person who elects to continue participation under this Section may cancel such election at any time, and may apply to transfer the creditable service accumulated under this Section to any one of the retirement systems established under Articles 5 through 18 or the Illinois Housing Development Act in which he or she is eligible to participate. Upon such application, the board shall pay to such retirement system (1) the amounts credited to the participant under this Section through participant contributions, including interest, if any, on the date of transfer, plus (2) employer contributions in an amount equal to the amount determined under clause (1). Participation in this System as to any credits transferred under this Section shall terminate on the date of transfer.

(Source: P.A. 86-272; 86-1488; 87-794.)

(40 ILCS 5/2-117.2) (from Ch. 108 1/2, par. 2-117.2)

Sec. 2-117.2. Transfer of creditable service to Article 8, 9 or 13 fund.

(a) Any city officer as defined in Section 8-243.2 of this Code, any county officer elected by vote of the people who is a participant in a pension fund established under Article 9 of this Code, and any elected sanitary district commissioner who is a participant in a pension fund established under Article 13 of this Code, may apply for transfer of his or her creditable service accumulated under this System to such Article 8, 9 or 13 fund. Such creditable service shall be transferred forthwith. Payment by this System to the Article 8, 9 or 13 fund shall be made at the same time and shall consist of:

- (1) the amounts credited to the participant under this System through participant contributions, including interest, if any, on the date of the transfer, but excluding any additional optional credits, which credits shall be refunded to the participant; plus
- (2) employer contributions in an amount equal to the amount determined under clause (1).

Participation in this System as to any credits transferred under this Section shall terminate on the date of transfer.

(b) Any such elected city officer, county officer or sanitary district commissioner who has credits and creditable service under the System may establish additional credits and creditable service for periods during which he could have elected to participate but did not so elect. Credits and creditable service may be established by payment to the System of an amount equal to the contributions he would have made if he had elected to participate, plus interest to the date of payment.

(c) Any such elected city officer, county officer or sanitary district commissioner may reinstate credits and creditable service terminated upon receipt of a refund, by payment to the System of the amount of the refund plus interest thereon to the date of payment.

(Source: P.A. 85-964; 86-1488.)

(40 ILCS 5/2-117.3) (from Ch. 108 1/2, par. 2-117.3)

Sec. 2-117.3. Payments and Rollovers.

(a) The Board may adopt rules prescribing the manner of repaying refunds and purchasing any optional credits permitted under this Article. The rules may prescribe the manner of calculating interest when such payments or repayments are made in installments.

(b) Rollover contributions from other retirement plans qualified under the U.S. Internal Revenue Code may be used to purchase any optional credit or repay any refund permitted under this Article.

(Source: P.A. 86-1488.)

(40 ILCS 5/2-118) (from Ch. 108 1/2, par. 2-118)

Sec. 2-118. Participants subject to survivor's annuity. Every male participant in service after August 2, 1949 and each female participant in service after July 1, 1971 shall be subject to the provisions relating to a survivor's annuity.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-119) (from Ch. 108 1/2, par. 2-119)

Sec. 2-119. Retirement annuity - conditions for eligibility.

(a) A participant whose service as a member is terminated, regardless of age or cause, is entitled to a retirement annuity beginning on the date specified by the participant in a written application subject to the following conditions:

1. The date the annuity begins does not precede the date of final termination of service, or is not more than 30 days before the receipt of the application by the board in the case of annuities based on disability or one year before the receipt of the application in the case of annuities based on attained age;

2. The participant meets one of the following eligibility requirements:

For a participant who first becomes a participant of this System before January 1, 2011 (the effective date of Public Act 96-889):

(A) He or she has attained age 55 and has at least 8 years of service credit;

(B) He or she has attained age 62 and terminated service after July 1, 1971 with at least 4 years of service credit; or

(C) He or she has completed 8 years of service and has become permanently disabled and as a consequence, is unable to perform the duties of his or her office.

For a participant who first becomes a participant of this System on or after January 1, 2011 (the effective date of Public Act 96-889), he or she has attained age 67 and has at least 8 years of service credit.

(a-5) A participant who first becomes a participant of this System on or after January 1, 2011 (the effective date of Public Act 96-889) who has attained age 62 and has at least 8 years of service credit may elect to receive the lower retirement annuity provided in paragraph (c) of Section 2-119.01 of this Code.

(b) A participant shall be considered permanently disabled only if: (1) disability occurs while in service and is of such a nature as to prevent him or her from reasonably performing

the duties of his or her office at the time; and (2) the board has received a written certificate by at least 2 licensed physicians appointed by the board stating that the member is disabled and that the disability is likely to be permanent.
(Source: P.A. 96-889, eff. 1-1-11; 96-1490, eff. 1-1-11.)

(40 ILCS 5/2-119.01) (from Ch. 108 1/2, par. 2-119.01)
Sec. 2-119.01. Retirement annuities - Amount.

(a) For a participant in service after June 30, 1977 who has not made contributions to this System after January 1, 1982, the annual retirement annuity is 3% for each of the first 8 years of service, plus 4% for each of the next 4 years of service, plus 5% for each year of service in excess of 12 years, based on the participant's highest salary for annuity purposes. The maximum retirement annuity payable shall be 80% of the participant's highest salary for annuity purposes.

(b) For a participant in service after June 30, 1977 who has made contributions to this System on or after January 1, 1982, the annual retirement annuity is 3% for each of the first 4 years of service, plus 3 1/2% for each of the next 2 years of service, plus 4% for each of the next 2 years of service, plus 4 1/2% for each of the next 4 years of service, plus 5% for each year of service in excess of 12 years, of the participant's highest salary for annuity purposes. The maximum retirement annuity payable shall be 85% of the participant's highest salary for annuity purposes.

(c) Notwithstanding any other provision of this Article, for a participant who first becomes a participant on or after January 1, 2011 (the effective date of Public Act 96-889), the annual retirement annuity is 3% of the participant's highest salary for annuity purposes for each year of service. The maximum retirement annuity payable shall be 60% of the participant's highest salary for annuity purposes.

(d) Notwithstanding any other provision of this Article, for a participant who first becomes a participant on or after January 1, 2011 (the effective date of Public Act 96-889) and who is retiring after attaining age 62 with at least 8 years of service credit, the retirement annuity shall be reduced by one-half of 1% for each month that the member's age is under age 67.

(Source: P.A. 96-889, eff. 1-1-11; 96-1490, eff. 1-1-11.)

(40 ILCS 5/2-119.1) (from Ch. 108 1/2, par. 2-119.1)
Sec. 2-119.1. Automatic increase in retirement annuity.

(a) A participant who retires after June 30, 1967, and who has not received an initial increase under this Section before the effective date of this amendatory Act of 1991, shall, in January or July next following the first anniversary of retirement, whichever occurs first, and in the same month of each year thereafter, but in no event prior to age 60, have the amount of the originally granted retirement annuity increased as follows: for each year through 1971, 1 1/2%; for each year from 1972 through 1979, 2%; and for 1980 and each year thereafter, 3%. Annuitants who have received an initial increase under this subsection prior to the effective date of this amendatory Act of 1991 shall continue to receive their annual increases in the same month as the initial increase.

(b) Beginning January 1, 1990, for eligible participants who remain in service after attaining 20 years of creditable service, the 3% increases provided under subsection (a) shall begin to accrue on the January 1 next following the date upon which the participant (1) attains age 55, or (2) attains 20 years of creditable service, whichever occurs later, and shall continue to accrue while the participant remains in service; such increases shall become payable on January 1 or July 1, whichever occurs first, next following the first anniversary of retirement. For any person who has service credit in the System for the entire period from January 15, 1969 through December 31, 1992, regardless of the date of termination of service,

the reference to age 55 in clause (1) of this subsection (b) shall be deemed to mean age 50.

This subsection (b) does not apply to any person who first becomes a member of the System after the effective date of this amendatory Act of the 93rd General Assembly.

(b-5) Notwithstanding any other provision of this Article, a participant who first becomes a participant on or after January 1, 2011 (the effective date of Public Act 96-889) shall, in January or July next following the first anniversary of retirement, whichever occurs first, and in the same month of each year thereafter, but in no event prior to age 67, have the amount of the retirement annuity then being paid increased by 3% or the annual unadjusted percentage increase in the Consumer Price Index for All Urban Consumers as determined by the Public Pension Division of the Department of Insurance under subsection (a) of Section 2-108.1, whichever is less.

(c) The foregoing provisions relating to automatic increases are not applicable to a participant who retires before having made contributions (at the rate prescribed in Section 2-126) for automatic increases for less than the equivalent of one full year. However, in order to be eligible for the automatic increases, such a participant may make arrangements to pay to the system the amount required to bring the total contributions for the automatic increase to the equivalent of one year's contributions based upon his or her last salary.

(d) A participant who terminated service prior to July 1, 1967, with at least 14 years of service is entitled to an increase in retirement annuity beginning January, 1976, and to additional increases in January of each year thereafter.

The initial increase shall be 1 1/2% of the originally granted retirement annuity multiplied by the number of full years that the annuitant was in receipt of such annuity prior to January 1, 1972, plus 2% of the originally granted retirement annuity for each year after that date. The subsequent annual increases shall be at the rate of 2% of the originally granted retirement annuity for each year through 1979 and at the rate of 3% for 1980 and thereafter.

(e) Beginning January 1, 1990, all automatic annual increases payable under this Section shall be calculated as a percentage of the total annuity payable at the time of the increase, including previous increases granted under this Article.

(Source: P.A. 96-889, eff. 1-1-11; 96-1490, eff. 1-1-11.)

(40 ILCS 5/2-120) (from Ch. 108 1/2, par. 2-120)
Sec. 2-120. Reversionary annuity.

(a) Prior to retirement, a participant may elect to take a reduced retirement annuity and provide, with the actuarial value of the amount of the reduction in annuity, a reversionary annuity for a spouse, parent, child, brother or sister. The option shall be exercised by the filing of a written designation with the board prior to retirement, and may be revoked by the participant at any time before retirement. The death of the participant or the designated reversionary annuitant prior to the participant's retirement shall automatically void this option. If the reversionary annuitant dies after the participant's retirement, the reduced annuity being paid to the retired participant shall remain unchanged and no reversionary annuity shall be payable.

(b) A reversionary annuity shall not be payable if the participant dies before the expiration of 2 years from the date the written designation was filed with the board even though he or she had retired and was receiving a reduced retirement annuity under this option.

(c) A reversionary annuity shall begin on the first day of the month following the death of the annuitant and continue until the death of the reversionary annuitant.

(d) For a member electing to take a reduced annuity under this Section, the automatic increases provided in Section 2-119.1 shall be applied to the amount of

the reduced retirement annuity.
(Source: P.A. 90-655, eff. 7-30-98.)

(40 ILCS 5/2-121) (from Ch. 108 1/2, par. 2-121)
Sec. 2-121. Survivor's annuity - conditions for payment.

(a) A survivor's annuity shall be payable to a surviving spouse or eligible child (1) upon the death in service of a participant with at least 2 years of service credit, or (2) upon the death of an annuitant in receipt of a retirement annuity, or (3) upon the death of a participant who terminated service with at least 4 years of service credit.

The change in this subsection (a) made by this amendatory Act of 1995 applies to survivors of participants who die on or after December 1, 1994, without regard to whether or not the participant was in service on or after the effective date of this amendatory Act of 1995.

(b) To be eligible for the survivor's annuity, the spouse and the participant or annuitant must have been married for a continuous period of at least one year immediately preceding the date of death, but need not have been married on the day of the participant's last termination of service, regardless of whether such termination occurred prior to the effective date of this amendatory Act of 1985.

(c) The annuity shall be payable beginning on the date of a participant's death, or the first of the month following an annuitant's death, if the spouse is then age 50 or over, or beginning at age 50 if the spouse is then under age 50. If an eligible child or children of the participant or annuitant (or a child or children of the eligible spouse meeting the criteria of item (1), (2), or (3) of subsection (d) of this Section) also survive, and the child or children are under the care of the eligible spouse, the annuity shall begin as of the date of a participant's death, or the first of the month following an annuitant's death, without regard to the spouse's age.

The change to this subsection made by this amendatory Act of 1998 (relating to children of an eligible spouse) applies to the eligible spouse of a participant or annuitant who dies on or after the effective date of this amendatory Act, without regard to whether the participant or annuitant is in service on or after that effective date.

(c-5) Upon the death in service of a participant during the 90th General Assembly, the survivor's annuity shall be payable prior to age 50, notwithstanding subsection (c) of this Section, provided that the deceased participant had at least 6 years of service. This subsection (c-5) applies to the eligible spouse of a deceased participant without regard to whether the deceased participant was in service on or after the effective date of this amendatory Act of the 96th General Assembly, and retroactive benefits may be paid for periods of eligibility after February 28, 2009.

(d) For the purposes of this Section and Section 2-121.1, "eligible child" means a child of the deceased participant or annuitant who is at least one of the following:

- (1) unmarried and under the age of 18;
- (2) unmarried, a full-time student, and under the age of 22;
- (3) dependent by reason of physical or mental disability.

The inclusion of unmarried students under age 22 in the calculation of survivor's annuities by this amendatory Act of 1991 shall apply to all eligible students beginning January 1, 1992, without regard to whether the deceased participant or annuitant was in service on or after the effective date of this amendatory Act of 1991.

(e) Remarriage of a surviving spouse prior to attainment

of age 55 shall disqualify the surviving spouse from the receipt of a survivor's annuity, if the remarriage occurs before the effective date of this amendatory Act of the 91st General Assembly.

The changes made to this subsection by this amendatory Act of the 91st General Assembly (pertaining to remarriage prior to age 55) apply without regard to whether the deceased participant or annuitant was in service on or after the effective date of this amendatory Act.

(Source: P.A. 95-279, eff. 1-1-08; 96-775, eff. 8-28-09.)

(40 ILCS 5/2-121.1) (from Ch. 108 1/2, par. 2-121.1)

Sec. 2-121.1. Survivor's annuity - amount.

(a) A surviving spouse shall be entitled to 66 2/3% of the amount of retirement annuity to which the participant or annuitant was entitled on the date of death, without regard to whether the participant had attained age 55 prior to his or her death, subject to a minimum payment of 10% of salary. If a surviving spouse, regardless of age, has in his or her care at the date of death any eligible child or children of the participant, the survivor's annuity shall be the greater of the following: (1) 66 2/3% of the amount of retirement annuity to which the participant or annuitant was entitled on the date of death, or (2) 30% of the participant's salary increased by 10% of salary on account of each such child, subject to a total payment for the surviving spouse and children of 50% of salary. If eligible children survive but there is no surviving spouse, or if the surviving spouse dies or becomes disqualified by remarriage while eligible children survive, each eligible child shall be entitled to an annuity of 20% of salary, subject to a maximum total payment for all such children of 50% of salary.

However, the survivor's annuity payable under this Section shall not be less than 100% of the amount of retirement annuity to which the participant or annuitant was entitled on the date of death, if he or she is survived by a dependent disabled child.

The salary to be used for determining these benefits shall be the salary used for determining the amount of retirement annuity as provided in Section 2-119.01.

(b) Upon the death of a participant after the termination of service or upon death of an annuitant, the maximum total payment to a surviving spouse and eligible children, or to eligible children alone if there is no surviving spouse, shall be 75% of the retirement annuity to which the participant or annuitant was entitled, unless there is a dependent disabled child among the survivors.

(c) When a child ceases to be an eligible child, the annuity to that child, or to the surviving spouse on account of that child, shall thereupon cease, and the annuity payable to the surviving spouse or other eligible children shall be recalculated if necessary.

Upon the ineligibility of the last eligible child, the annuity shall immediately revert to the amount payable upon death of a participant or annuitant who leaves no eligible children. If the surviving spouse is then under age 50, the annuity as revised shall be deferred until the attainment of age 50.

(d) Beginning January 1, 1990, every survivor's annuity shall be increased (1) on each January 1 occurring on or after the commencement of the annuity if the deceased member died while receiving a retirement annuity, or (2) in other cases, on each January 1 occurring on or after the first anniversary of the commencement of the annuity, by an amount equal to 3% of the current amount of the annuity, including any previous increases under this Article. Such increases shall apply without regard to whether the deceased member was in service on or after the effective date of this amendatory Act of 1991, but shall not accrue for any period prior to January 1, 1990.

(d-5) Notwithstanding any other provision of this Article, the initial

survivor's annuity of a survivor of a participant who first becomes a participant on or after January 1, 2011 (the effective date of Public Act 96-889) shall be in the amount of $66 \frac{2}{3}\%$ of the amount of the retirement annuity to which the participant or annuitant was entitled on the date of death and shall be increased (1) on each January 1 occurring on or after the commencement of the annuity if the deceased member died while receiving a retirement annuity or (2) in other cases, on each January 1 occurring on or after the first anniversary of the commencement of the annuity, by an amount equal to 3% or the annual unadjusted percentage increase in the Consumer Price Index for All Urban Consumers as determined by the Public Pension Division of the Department of Insurance under subsection (a) of Section 2-108.1, whichever is less, of the survivor's annuity then being paid.

(e) Notwithstanding any other provision of this Article, beginning January 1, 1990, the minimum survivor's annuity payable to any person who is entitled to receive a survivor's annuity under this Article shall be \$300 per month, without regard to whether or not the deceased participant was in service on the effective date of this amendatory Act of 1989.

(f) In the case of a proportional survivor's annuity arising under the Retirement Systems Reciprocal Act where the amount payable by the System on January 1, 1993 is less than \$300 per month, the amount payable by the System shall be increased beginning on that date by a monthly amount equal to \$2 for each full year that has expired since the annuity began.

(Source: P.A. 96-889, eff. 1-1-11; 96-1490, eff. 1-1-11.)

(40 ILCS 5/2-121.2) (from Ch. 108 1/2, par. 2-121.2)

Sec. 2-121.2. Reduction of disability and survivor's benefits for corresponding benefits payable under Workers' Compensation and Workers' Occupational Diseases Acts. Whenever a person is entitled to a disability or survivor's benefit under this Article and to benefits under the Workers' Compensation Act or the Workers' Occupational Diseases Act for the same injury or disease, the benefits payable under this Article shall be reduced by the amount of benefits payable under either of those Acts. There shall be no reduction, however, for payments for medical, surgical and hospital services, non-medical remedial care and treatment rendered in accordance with a religious method of healing recognized by the laws of this State, and for artificial appliances, and fixed statutory payments for the loss of or the permanent and complete loss of the use of any bodily member. If the benefits deductible under this Section are stated in a weekly amount, the monthly amount for the purposes of this Section shall be $4 \frac{1}{3}$ times the weekly amount.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-121.3) (from Ch. 108 1/2, par. 2-121.3)

Sec. 2-121.3. Required distributions. (a) A person who would be eligible to receive a survivor's annuity under this Article but for the fact that the person has not yet attained age 50, shall be eligible for a monthly distribution under this subsection (a), provided that the payment of such distribution is required by federal law.

The distribution shall become payable on (i) July 1, 1987, (ii) December 1 of the calendar year immediately following the calendar year in which the deceased spouse died, or (iii) December 1 of the calendar year in which the deceased spouse would have attained age $70 \frac{1}{2}$, whichever occurs last, and shall remain payable until the first of the following to occur: (1) the person becomes eligible to receive a survivor's annuity under this Article; (2) the end of the month in which the person ceases to be eligible to receive a survivor's annuity upon attainment of age 50, due to remarriage or death; or (3) the end of the month in which such distribution ceases to be required by federal law.

The amount of the distribution shall be fixed at the time the distribution first

becomes payable, and shall be calculated in the same manner as a survivor's annuity under Sections 2-121, 2-121.1 and 2-121.2, but excluding: (A) any requirement for an application for the distribution; (B) any automatic annual increases, supplemental increases, or one-time increases that may be provided by law for survivor's annuities; and (C) any lump-sum or death benefit.

(b) For the purpose of this Section, a distribution shall be deemed to be required by federal law if: (1) directly mandated by federal statute, rule, or administrative or court decision; or (2) indirectly mandated through imposition of substantial tax or other penalties for noncompliance.

(c) Notwithstanding Section 1-103.1 of this Code, a member need not be in service on or after the effective date of this amendatory Act of 1989 for the member's surviving spouse to be eligible for a distribution under this Section.

(Source: P.A. 86-273.)

(40 ILCS 5/2-122) (from Ch. 108 1/2, par. 2-122)

Sec. 2-122. Re-entry after retirement. An annuitant who re-enters service as a member shall become a participant on the date of re-entry and retirement annuity payments shall cease at that time. The participant shall resume contributions to the system on the date of re-entry at the rates then in effect and shall begin to accrue additional service credit. He or she shall be entitled to all rights and privileges in the system, including death and disability benefits, subject to the limitations herein provided, except refund of retirement annuity contributions.

Upon subsequent retirement, the participant shall be entitled to a retirement annuity consisting of: (1) the amount of retirement annuity previously granted and terminated by re-entry into service; and (2) the amount of additional retirement annuity earned during the additional service based on the provisions in effect at the date of such subsequent retirement. However, the total retirement annuity shall not exceed the maximum retirement annuity applicable at the date of the participant's last retirement. If the salary of the participant following the latest re-entry into service is higher than that in effect at the date of the previous retirement and the participant restores to the system all amounts previously received as retirement annuity payments, upon subsequent retirement, the retirement annuity shall be recalculated for all service credited under the system as though the participant had not previously retired.

The repayment of retirement annuity payments must be made by the participant in a single sum or by a withholding from salary within a period of 6 years from date of re-entry and in any event before subsequent retirement. If previous annuity payments have not been repaid to the system at the date of death of the participant, any remaining balance must be fully repaid to the system before any further annuity shall be payable.

Such member, if unmarried at date of his last retirement, shall also be entitled to a refund of widow's and widower's annuity contributions, without interest, covering the period from the date of re-entry into service to the date of last retirement.

Notwithstanding any other provision of this Article, if a person who first becomes a participant under this System on or after January 1, 2011 (the effective date of Public Act 96-889) is receiving a retirement annuity under this Article and becomes a member or participant under this Article or any other Article of this Code and is employed on a full-time basis, then the person's retirement annuity under this System shall be suspended during that employment. Upon termination of that employment, the person's retirement annuity shall resume and, if appropriate, be recalculated under the applicable provisions of this Article.

(Source: P.A. 96-889, eff. 1-1-11; 96-1490, eff. 1-1-11.)

(40 ILCS 5/2-123) (from Ch. 108 1/2, par. 2-123)

Sec. 2-123. Refunds.

(a) A participant who ceases to be a member, other than an annuitant, shall, upon written request, receive a refund of his or her total contributions, without interest. The refund shall include the additional contributions for the automatic increase in retirement annuity. By accepting the refund, a participant forfeits all accrued rights and benefits in the System and loses credit for all service. However, if he or she again becomes a member, he or she may resume status as a participant and reestablish any forfeited service credit by paying to the System the full amount refunded, together with interest at 4% per annum from the time the refund is paid to the date the member again becomes a participant.

A former member of the General Assembly may reestablish any service credit forfeited by acceptance of a refund by paying to the System on or before February 1, 1993, the full amount refunded, together with interest at 4% per annum from the date of payment of the refund to the date of repayment.

When a member or former member owes money to the System, interest at the rate of 4% per annum shall accrue and be payable on such amounts owed beginning on the date of termination of service as a member until the contributions due have been paid in full.

(b) A participant who (1) has elected to cease making contributions for survivor's annuity under subsection (b) of Section 2-126, (2) has no eligible survivor's annuity beneficiary upon becoming an annuitant, or (3) terminates service with less than 8 years of service is entitled to a refund of the contributions for a survivor's annuity, without interest. If the person later marries, a survivor's annuity shall not be payable upon his or her death, unless the amount of the refund is repaid to the System, together with interest at the rate of 4% per year from the date of refund to the date of repayment.

(c) If at the date of retirement or death of a participant who served as an officer of the General Assembly, the total period of such service is less than 4 years, the additional contributions made by such member on the additional salary as an officer shall be refunded unless the participant served as an officer for at least 2 years and has contributed the amount he or she would have contributed if he or she had served as an officer for 4 years as provided in Section 2-126.

(d) Upon the termination of the last survivor's annuity payable to a survivor of a deceased participant, the excess, if any, of the total contributions made by the participant for retirement and survivor's annuity, without interest, over the total amount of retirement and survivor's annuity payments received by the participant and the participant's survivors shall be refunded upon request:

(i) if there was a surviving spouse of the deceased participant who was eligible for a survivor's annuity, to the designated beneficiary of that spouse or, if the designated beneficiary is deceased or there is no designated beneficiary, to that spouse's estate;

(ii) if there was no eligible surviving spouse of the deceased participant, to the designated beneficiary of the deceased participant or, if the designated beneficiary is deceased or there is no designated beneficiary, to the deceased participant's estate.

(e) Upon the death of a participant, if a survivor's annuity is not payable under this Article, a beneficiary designated by the participant shall be entitled to a refund of all contributions made by the participant. If the participant has not designated a refund beneficiary, the surviving spouse shall be entitled to the refund of contributions; if there is no surviving spouse, the contributions shall be refunded to the participant's surviving children, if any, and if no children survive, the refund payment shall be made to the participant's estate.

(Source: P.A. 90-448, eff. 8-16-97; 90-766, eff. 8-14-98.)

(40 ILCS 5/2-124) (from Ch. 108 1/2, par. 2-124)
(Text of Section from P.A. 96-1497 and 96-1511)
Sec. 2-124. Contributions by State.

(a) The State shall make contributions to the System by appropriations of amounts which, together with the contributions of participants, interest earned on investments, and other income will meet the cost of maintaining and administering the System on a 90% funded basis in accordance with actuarial recommendations.

(b) The Board shall determine the amount of State contributions required for each fiscal year on the basis of the actuarial tables and other assumptions adopted by the Board and the prescribed rate of interest, using the formula in subsection (c).

(c) For State fiscal years 2012 through 2045, the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

For State fiscal years 1996 through 2005, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2006 is \$4,157,000.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2007 is \$5,220,300.

For each of State fiscal years 2008 through 2009, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments from the required State contribution for State fiscal year 2007, so that by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2010 is \$10,454,000 and shall be made from the proceeds of bonds sold in fiscal year 2010 pursuant to Section 7.2 of the General Obligation Bond Act, less (i) the pro rata share of bond sale expenses determined by the System's share of total bond proceeds, (ii) any amounts received from the General Revenue Fund in fiscal year 2010, and (iii) any reduction in bond proceeds due to the issuance of discounted bonds, if applicable.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2011 is the amount recertified by the System on or before April 1, 2011 pursuant to Section 2-134 and shall be made from the proceeds of bonds sold in fiscal year 2011 pursuant to Section 7.2 of the General Obligation Bond Act, less (i) the pro rata share of bond sale expenses determined by the System's share of total bond proceeds, (ii) any amounts received from the General Revenue Fund in fiscal year 2011, and (iii) any reduction in bond proceeds due to the issuance of discounted bonds, if applicable.

Beginning in State fiscal year 2046, the minimum State contribution for each fiscal year shall be the amount needed to maintain the total assets of the System at 90% of the total actuarial liabilities of the System.

Amounts received by the System pursuant to Section 25 of the Budget Stabilization Act or Section 8.12 of the State Finance Act in any fiscal year do not reduce and do not constitute payment of any portion of the minimum State contribution required under this Article in that fiscal year. Such amounts shall not

reduce, and shall not be included in the calculation of, the required State contributions under this Article in any future year until the System has reached a funding ratio of at least 90%. A reference in this Article to the "required State contribution" or any substantially similar term does not include or apply to any amounts payable to the System under Section 25 of the Budget Stabilization Act.

Notwithstanding any other provision of this Section, the required State contribution for State fiscal year 2005 and for fiscal year 2008 and each fiscal year thereafter, as calculated under this Section and certified under Section 2-134, shall not exceed an amount equal to (i) the amount of the required State contribution that would have been calculated under this Section for that fiscal year if the System had not received any payments under subsection (d) of Section 7.2 of the General Obligation Bond Act, minus (ii) the portion of the State's total debt service payments for that fiscal year on the bonds issued for the purposes of that Section 7.2, as determined and certified by the Comptroller, that is the same as the System's portion of the total moneys distributed under subsection (d) of Section 7.2 of the General Obligation Bond Act. In determining this maximum for State fiscal years 2008 through 2010, however, the amount referred to in item (i) shall be increased, as a percentage of the applicable employee payroll, in equal increments calculated from the sum of the required State contribution for State fiscal year 2007 plus the applicable portion of the State's total debt service payments for fiscal year 2007 on the bonds issued for the purposes of Section 7.2 of the General Obligation Bond Act, so that, by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

(d) For purposes of determining the required State contribution to the System, the value of the System's assets shall be equal to the actuarial value of the System's assets, which shall be calculated as follows:

As of June 30, 2008, the actuarial value of the System's assets shall be equal to the market value of the assets as of that date. In determining the actuarial value of the System's assets for fiscal years after June 30, 2008, any actuarial gains or losses from investment return incurred in a fiscal year shall be recognized in equal annual amounts over the 5-year period following that fiscal year.

(e) For purposes of determining the required State contribution to the system for a particular year, the actuarial value of assets shall be assumed to earn a rate of return equal to the system's actuarially assumed rate of return.

(Source: P.A. 95-950, eff. 8-29-08; 96-43, eff. 7-15-09; 96-1497, eff. 1-14-11; 96-1511, eff. 1-27-11.)

(Text of Section from P.A. 96-1554)

Sec. 2-124. Contributions by State.

(a) The State shall make contributions to the System by appropriations of amounts which, together with the contributions of participants, interest earned on investments, and other income will meet the cost of maintaining and administering the System on a 90% funded basis in accordance with actuarial recommendations.

(b) The Board shall determine the amount of State contributions required for each fiscal year on the basis of the actuarial tables and other assumptions adopted by the Board and the prescribed rate of interest, using the formula in subsection (c).

(c) For State fiscal years 2011 through 2045, the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

For State fiscal years 1996 through 2005, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal

annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2006 is \$4,157,000.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2007 is \$5,220,300.

For each of State fiscal years 2008 through 2009, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments from the required State contribution for State fiscal year 2007, so that by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2010 is \$10,454,000 and shall be made from the proceeds of bonds sold in fiscal year 2010 pursuant to Section 7.2 of the General Obligation Bond Act, less (i) the pro rata share of bond sale expenses determined by the System's share of total bond proceeds, (ii) any amounts received from the General Revenue Fund in fiscal year 2010, and (iii) any reduction in bond proceeds due to the issuance of discounted bonds, if applicable.

Beginning in State fiscal year 2046, the minimum State contribution for each fiscal year shall be the amount needed to maintain the total assets of the System at 90% of the total actuarial liabilities of the System.

Amounts received by the System pursuant to Section 25 of the Budget Stabilization Act or Section 8.12 of the State Finance Act in any fiscal year do not reduce and do not constitute payment of any portion of the minimum State contribution required under this Article in that fiscal year. Such amounts shall not reduce, and shall not be included in the calculation of, the required State contributions under this Article in any future year until the System has reached a funding ratio of at least 90%. A reference in this Article to the "required State contribution" or any substantially similar term does not include or apply to any amounts payable to the System under Section 25 of the Budget Stabilization Act.

Notwithstanding any other provision of this Section, the required State contribution for State fiscal year 2005 and for fiscal year 2008 and each fiscal year thereafter, as calculated under this Section and certified under Section 2-134, shall not exceed an amount equal to (i) the amount of the required State contribution that would have been calculated under this Section for that fiscal year if the System had not received any payments under subsection (d) of Section 7.2 of the General Obligation Bond Act, minus (ii) the portion of the State's total debt service payments for that fiscal year on the bonds issued in fiscal year 2003 for the purposes of that Section 7.2, as determined and certified by the Comptroller, that is the same as the System's portion of the total moneys distributed under subsection (d) of Section 7.2 of the General Obligation Bond Act. In determining this maximum for State fiscal years 2008 through 2010, however, the amount referred to in item (i) shall be increased, as a percentage of the applicable employee payroll, in equal increments calculated from the sum of the required State contribution for State fiscal year 2007 plus the applicable portion of the State's total debt service payments for fiscal year 2007 on the bonds issued in fiscal year 2003 for the purposes of Section 7.2 of the General Obligation Bond Act, so that, by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

(d) For purposes of determining the required State contribution to the System, the value of the System's assets shall be equal to the actuarial value of the System's assets, which shall be calculated as follows:

As of June 30, 2008, the actuarial value of the System's assets shall be equal to the market value of the assets as of that date. In determining the actuarial value of the System's assets for fiscal years after June 30, 2008, any actuarial gains or losses from investment return incurred in a fiscal year shall be recognized in equal annual amounts over the 5-year period following that fiscal year.

(e) For purposes of determining the required State contribution to the system for a particular year, the actuarial value of assets shall be assumed to earn a rate of return equal to the system's actuarially assumed rate of return.

(Source: P.A. 95-950, eff. 8-29-08; 96-43, eff. 7-15-09; 96-1554, eff. 3-18-11.)

(40 ILCS 5/2-125) (from Ch. 108 1/2, par. 2-125)

Sec. 2-125. Obligations of State. The payment of (1) the required State contributions, (2) all benefits granted under this system and (3) all expenses of administration and operation are obligations of the State to the extent specified in this Article.

All income, interest and dividends derived from deposits and investments shall be credited to the account of the system in the State Treasury and used to pay benefits under this Article.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-126) (from Ch. 108 1/2, par. 2-126)

Sec. 2-126. Contributions by participants.

(a) Each participant shall contribute toward the cost of his or her retirement annuity a percentage of each payment of salary received by him or her for service as a member as follows: for service between October 31, 1947 and January 1, 1959, 5%; for service between January 1, 1959 and June 30, 1969, 6%; for service between July 1, 1969 and January 10, 1973, 6 1/2%; for service after January 10, 1973, 7%; for service after December 31, 1981, 8 1/2%.

(b) Beginning August 2, 1949, each male participant, and from July 1, 1971, each female participant shall contribute towards the cost of the survivor's annuity 2% of salary.

A participant who has no eligible survivor's annuity beneficiary may elect to cease making contributions for survivor's annuity under this subsection. A survivor's annuity shall not be payable upon the death of a person who has made this election, unless prior to that death the election has been revoked and the amount of the contributions that would have been paid under this subsection in the absence of the election is paid to the System, together with interest at the rate of 4% per year from the date the contributions would have been made to the date of payment.

(c) Beginning July 1, 1967, each participant shall contribute 1% of salary towards the cost of automatic increase in annuity provided in Section 2-119.1. These contributions shall be made concurrently with contributions for retirement annuity purposes.

(d) In addition, each participant serving as an officer of the General Assembly shall contribute, for the same purposes and at the same rates as are required of a regular participant, on each additional payment received as an officer. If the participant serves as an officer for at least 2 but less than 4 years, he or she shall contribute an amount equal to the amount that would have been contributed had the participant served as an officer for 4 years. Persons who serve as officers in the 87th General Assembly but cannot receive the additional payment to officers because of the ban on increases in salary during their terms may nonetheless make contributions based on those additional payments for the purpose of having the additional payments included in their highest salary for annuity purposes; however, persons electing to make these additional contributions must also pay an amount representing the corresponding employer contributions, as calculated by the System.

(e) Notwithstanding any other provision of this Article, the required contribution of a participant who first becomes a participant on or after January 1, 2011 shall not exceed the contribution that would be due under this Article if that participant's highest salary for annuity purposes were \$106,800, plus any increases in that amount under Section 2-108.1.

(Source: P.A. 96-1490, eff. 1-1-11.)

(40 ILCS 5/2-126.1) (from Ch. 108 1/2, par. 2-126.1)

Sec. 2-126.1. Pickup of contributions.

(a) The State shall pick up the participant contributions required under Section 2-126 for all salary earned after December 31, 1981. The contributions so picked up shall be treated as employer contributions in determining tax treatment under the United States Internal Revenue Code. The State shall pay these participant contributions from the same source of funds which is used in paying salary to the participant. The State may pick up these contributions by a reduction in the cash salary of the participant. If participant contributions are picked up they shall be treated for all purposes of this Article 2 in the same manner as participant contributions that were made prior to the date that the pick up of contributions began.

(b) Subject to the requirements of federal law, a participant may elect to have the employer pick up optional contributions that the participant has elected to pay to the System, and the contributions so picked up shall be treated as employer contributions for the purposes of determining federal tax treatment. The employer shall pick up the contributions by a reduction in the cash salary of the participant and shall pay the contributions from the same fund that is used to pay earnings to the participant. The election to have optional contributions picked up is irrevocable and the optional contributions may not thereafter be prepaid, by direct payment or otherwise. If the provision authorizing the optional contribution requires payment by a stated date (rather than the date of withdrawal or retirement), that requirement shall be deemed to have been satisfied if (i) on or before the stated date the participant executes a valid irrevocable election to have the contributions picked up under this subsection, and (ii) the picked-up contributions are in fact paid to the System as provided in the election.

(Source: P.A. 90-448, eff. 8-16-97; 90-766, eff. 8-14-98.)

(40 ILCS 5/2-127) (from Ch. 108 1/2, par. 2-127)

Sec. 2-127. Board created. The system shall be administered by a board of trustees of 7 members as follows: the President of the Senate, ex officio, or his designee; 2 members of the Senate appointed by the President; 3 members of the House of Representatives appointed by the Speaker; and one person elected from the member annuitants under rules prescribed by the board. Only participants are eligible to serve as board members. Not more than two members of the House of Representatives, and not more than one member of the Senate so appointed shall be of the same political party. Appointed board members shall serve for 2-year terms. If the office of President of the Senate or Speaker of the House is vacant or its incumbent is not a participant, the position of trustee otherwise occupied by such officers shall be deemed vacant and be filled by appointment by the Governor with a member of the Senate or the House, as the case may be. This appointment shall be of the same political party as the vacated position.

Elections for the annuitant member shall be held in January of 1993 and every fourth year thereafter. Nominations and elections shall be conducted in accordance with such procedures as the Board may prescribe. In the event that only one eligible person is nominated, the Board may declare the nominee elected at the close of the nomination period, and need not conduct an election. The annuitant member elected in 1989 shall serve for a term of 4 years beginning February 1, 1989; thereafter, an annuitant member shall serve for a period of 4 years from the February 1st immediately following the date of election, and until a successor is elected and qualified.

Every person designated to serve as a trustee shall take an oath of office and shall thereupon qualify as a trustee. The oath shall state that the person will diligently and honestly administer the affairs of the system, and will not knowingly

violate or wilfully permit the violation of any of the provisions of this Article.
(Source: P.A. 86-273; 86-1488.)

(40 ILCS 5/2-128) (from Ch. 108 1/2, par. 2-128)

Sec. 2-128. Board vacancy. A vacancy in the office of an appointed or ex-officio member occurring during the session of the General Assembly shall be filled by appointment for the unexpired term in the manner provided in Section 2-127 for the initial selection of such members. A vacancy occurring during the interim recess of the General Assembly shall be filled by the Governor for the unexpired term.

An annuitant trustee shall be disqualified to serve as trustee upon removal of his or her permanent residence from the State of Illinois.

A vacancy in the office of an annuitant member shall be filled for the unexpired term by the remaining members of the board.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-129) (from Ch. 108 1/2, par. 2-129)

Sec. 2-129. Board voting. Each trustee is entitled to one vote on any action of the board. Not less than 4 concurring votes shall be necessary for action by the board at any meeting. No decision or action shall be effective unless so approved by the board.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-130) (from Ch. 108 1/2, par. 2-130)

Sec. 2-130. Board powers and duties. The board shall have the powers and duties stated in Sections 2-131 through 2-143, in addition to the other powers and duties provided in this Article.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-131) (from Ch. 108 1/2, par. 2-131)

Sec. 2-131. To hold meetings. To hold regular meetings at least twice in each year, and special meetings at such times as are deemed necessary by the board. At least 10 days' notice of each meeting shall be given to each trustee. All meetings shall be open to the public and shall be held in the office of the board.

(Source: P.A. 86-273.)

(40 ILCS 5/2-132) (from Ch. 108 1/2, par. 2-132)

Sec. 2-132. To authorize payments. To consider and pass on all applications for annuities and refunds; to authorize the granting of all annuities and refunds; to suspend any payment or payments, all in accordance with this Article.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-133) (from Ch. 108 1/2, par. 2-133)

Sec. 2-133. To certify interest rate and adopt actuarial tables.

To certify in the records of the board the prescribed interest rate, and to adopt all necessary actuarial tables in accordance with recommendations of the actuary.

(Source: Laws 1963, p. 161.)

(40 ILCS 5/2-134) (from Ch. 108 1/2, par. 2-134)

Sec. 2-134. To certify required State contributions and submit vouchers.

(a) The Board shall certify to the Governor on or before December 15 of each

year the amount of the required State contribution to the System for the next fiscal year. The certification shall include a copy of the actuarial recommendations upon which it is based.

On or before May 1, 2004, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2005, taking into account the amounts appropriated to and received by the System under subsection (d) of Section 7.2 of the General Obligation Bond Act.

On or before July 1, 2005, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2006, taking into account the changes in required State contributions made by this amendatory Act of the 94th General Assembly.

On or before April 1, 2011, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2011, applying the changes made by Public Act 96-889 to the System's assets and liabilities as of June 30, 2009 as though Public Act 96-889 was approved on that date.

(b) Beginning in State fiscal year 1996, on or as soon as possible after the 15th day of each month the Board shall submit vouchers for payment of State contributions to the System, in a total monthly amount of one-twelfth of the required annual State contribution certified under subsection (a). From the effective date of this amendatory Act of the 93rd General Assembly through June 30, 2004, the Board shall not submit vouchers for the remainder of fiscal year 2004 in excess of the fiscal year 2004 certified contribution amount determined under this Section after taking into consideration the transfer to the System under subsection (d) of Section 6z-61 of the State Finance Act. These vouchers shall be paid by the State Comptroller and Treasurer by warrants drawn on the funds appropriated to the System for that fiscal year. If in any month the amount remaining unexpended from all other appropriations to the System for the applicable fiscal year (including the appropriations to the System under Section 8.12 of the State Finance Act and Section 1 of the State Pension Funds Continuing Appropriation Act) is less than the amount lawfully vouchered under this Section, the difference shall be paid from the General Revenue Fund under the continuing appropriation authority provided in Section 1.1 of the State Pension Funds Continuing Appropriation Act.

(c) The full amount of any annual appropriation for the System for State fiscal year 1995 shall be transferred and made available to the System at the beginning of that fiscal year at the request of the Board. Any excess funds remaining at the end of any fiscal year from appropriations shall be retained by the System as a general reserve to meet the System's accrued liabilities.

(Source: P.A. 95-331, eff. 8-21-07; 96-1497, eff. 1-14-11; 96-1511, eff. 1-27-11.)

(40 ILCS 5/2-136) (from Ch. 108 1/2, par. 2-136)

Sec. 2-136. To provide for examination of disability annuitants.

To provide for the examination of disability annuitants at least once each year during the continuance of disability prior to age 60. The examination shall be by one or more licensed physicians designated by the board.

(Source: Laws 1963, p. 161.)

(40 ILCS 5/2-137) (from Ch. 108 1/2, par. 2-137)

Sec. 2-137. To establish an office.

To establish an office or offices with suitable space for the meetings of the board and for the necessary administrative personnel. All books and records shall be kept in such offices.

(Source: Laws 1963, p. 161.)

(40 ILCS 5/2-138) (from Ch. 108 1/2, par. 2-138)

Sec. 2-138. To hire employees.

To appoint a secretary and employ such other actuarial, medical, clerical or other help as shall be required for the efficient administration of the system and to determine and fix their rate of pay.

(Source: Laws 1963, p. 161.)

(40 ILCS 5/2-139) (from Ch. 108 1/2, par. 2-139)

Sec. 2-139. To keep records and accounts. To keep a permanent record of all proceedings of the board, a separate account for each individual member and such additional data as are specified by the actuary as necessary for required calculations and valuations.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-140) (from Ch. 108 1/2, par. 2-140)

Sec. 2-140. To have an audit and submit statements.

To have the accounts of the system audited at least biennially by a certified public accountant designated by the Auditor General and to submit an annual statement to the Governor as soon as possible after the end of each fiscal year.

(Source: Laws 1963, p. 161.)

(40 ILCS 5/2-141) (from Ch. 108 1/2, par. 2-141)

Sec. 2-141. To accept gifts.

To accept any gift, grant or bequest of any money or securities. If the grantor specifies the purpose of providing cash benefits for some or all of the participants or annuitants of the system, the gift shall be so used; if no such purpose is designated, the gift shall be used to reduce the costs of the State for providing benefits.

(Source: Laws 1963, p. 161.)

(40 ILCS 5/2-142) (from Ch. 108 1/2, par. 2-142)

Sec. 2-142. To submit individual statement. To submit an individual statement to any participating member upon the member's request. The statement shall show the amount of accumulations to the member's credit as of the latest date practicable.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-143) (from Ch. 108 1/2, par. 2-143)

Sec. 2-143. To establish rules.

To establish rules necessary for the efficient administration of the system.

(Source: Laws 1963, p. 161.)

(40 ILCS 5/2-144) (from Ch. 108 1/2, par. 2-144)

Sec. 2-144. Secretary. The secretary shall be in charge of the administration of the detailed affairs of the system and, in addition to such other powers and duties as are delegated by the board, shall:

(1) Collect and record the receipt of all income of the system, including participants' contributions, State contributions, interest and principal collections on investments as they become due and payable, and other income accruing to the system, and immediately deposit them with the State Treasurer for the account of the system;

(2) Sign vouchers requesting the State Comptroller to draw warrants upon the State Treasurer in accordance with resolutions of the board, authorizing payments of

benefits, refunds and expenses out of the funds of the system;

(3) Certify to the State, the names of the persons from whose salary deductions are to be made and the amounts or rates to be so deducted.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-145) (from Ch. 108 1/2, par. 2-145)

Sec. 2-145. Treasurer. The State Treasurer shall be ex-officio the treasurer of the system and shall:

(1) Act as official custodian of the cash and securities of the system and provide adequate safe deposit facilities for the preservation of such securities, and hold such cash and securities subject to the order of the board;

(2) Receive from the secretary all items of cash belonging to the system, including participants' contributions, State contributions, interest and principal on investments and other income accruing to the system, and deposit all such amounts in a special trust fund for the account of the system;

(3) Make payments for purposes specified in this Article upon warrants or direct deposit transmittals of the State Comptroller drawn in accordance with vouchers signed by the secretary pursuant to resolutions of the board;

(4) Submit to the board at least once each month a statement of all receipts for the account of the system and all payments chargeable to the system;

(5) Furnish a corporate surety bond acceptable to the board in such amount as the board shall designate. The bond shall indemnify the board against any loss which may result from any action or omission of the Treasurer or any of the Treasurer's agents. All reasonable charges incidental to the procuring and giving of the bond shall be paid by the board.

Any cash accruing to the system not required for current expenditures by the system shall be transferred to the Illinois State Board of Investment for purposes of investment. Until such transfer is made, those funds shall be invested temporarily by the Treasurer on behalf of the system and interest earned thereon shall be credited to the trust fund of the system.

(Source: P.A. 86-273.)

(40 ILCS 5/2-146) (from Ch. 108 1/2, par. 2-146)

Sec. 2-146. Actuary. The actuary shall be the technical advisor of the board and, in addition to supplying general information on technical matters, shall:

(1) Make an investigation at least once every 5 years of the mortality, retirement, disability, separation, interest and salary rates and recommend, as a result of each such investigation, the actuarial tables to be adopted; and

(2) Make an annual valuation of the liabilities and reserves of the system, an annual determination of the amount of the required State contributions, and certify the results thereof to the board.

(Source: P.A. 86-273.)

(40 ILCS 5/2-147) (from Ch. 108 1/2, par. 2-147)

Sec. 2-147. State Comptroller. The State Comptroller in drawing salary warrants on payroll vouchers for members shall draw such warrants to participants for the salary specified less the member contributions to be deducted, as certified in the vouchers, and shall draw a warrant to the system for the total of the contributions so withheld on each such payroll voucher. The warrant drawn to the system, and the additional copy of the payroll, shall be transmitted immediately to the secretary.

The Comptroller shall draw warrants or prepare direct deposit transmittals upon the State Treasurer payable from the funds of this system for purposes of this Article upon the presentation of vouchers approved by the secretary in accordance with resolutions of the board, and in the exercise of the investment authority, upon

presentation of vouchers approved by the director of the Illinois State Board of Investment in accordance with the order and direction of said board.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-148) (from Ch. 108 1/2, par. 2-148)

Sec. 2-148. Speaker of House - President of Senate. The Speaker of the House and the President of the Senate, in the preparation of payroll vouchers for payments of salary to participants, shall indicate in addition to other things: (1) the amount of contributions to be deducted from the salary of each participant included in each voucher, (2) the net amount payable to each participant after such deductions and, (3) the total of all participant contributions so deducted. An additional certified copy of each payroll voucher certified by the State shall be prepared and forwarded along with the original payroll voucher to the State Comptroller for transmittal to the board as herein provided.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-149) (from Ch. 108 1/2, par. 2-149)

Sec. 2-149. Authorization. Each participant shall, by virtue of the payment of the participant contributions paid to the system, receive a vested interest in the refunds provided herein, and in consideration of such vested interest agrees to and authorizes the deductions from salary of all contributions required under this Article.

Payment of salary as prescribed by law, less the required participant contributions, shall, together with the vested rights in the refunds, be a full and complete discharge of all claims of payments for service rendered by a participant during the period covered by any such payment.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-150) (from Ch. 108 1/2, par. 2-150)

Sec. 2-150. Retirement Systems Reciprocal Act. The "Retirement Systems Reciprocal Act", being Article 20 of this Code, is adopted, and made a part of this Article; provided, (1) that where there is a direct conflict in the provisions of such Act and the specific provisions of this Article, the provisions of this Article shall prevail, and (2) that Section 20-131 shall be applicable to this system only if a participant has rendered at least 6 years of service as a member and, (3) that in the case of any participant who would have been eligible to have his or her retirement annuity computed under Section 20-131, the survivor's annuity payable in the event of the participant's death under Section 2-121 to the surviving spouse shall be computed on the basis of the retirement annuity to which the participant would have been entitled under the provisions of Section 20-131 if such computation would result in a greater survivor's annuity.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-151) (from Ch. 108 1/2, par. 2-151)

Sec. 2-151. No compensation. Trustees shall serve without compensation, but shall be reimbursed for reasonable traveling expenses incurred in attending meetings of the board.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-152) (from Ch. 108 1/2, par. 2-152)

Sec. 2-152. No monetary gain on investments. No trustee or employee of the board shall have any direct interest in the income, gains or profits of any investments

made in behalf of the system, nor receive any pay or emolument for services in connection with any investment. No trustee or employee of the board shall become an endorser or surety, or in any manner an obligor for money loaned or borrowed from the system. Whoever violates any of the provisions of this Section is guilty of a petty offense.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-153) (from Ch. 108 1/2, par. 2-153)

Sec. 2-153. Undivided interest. The assets of the system shall be invested as one fund, and no particular person, group of persons or entity shall have any right in any specific security or property, or in any item of cash, other than an undivided interest in the whole as specified in this Article.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-154) (from Ch. 108 1/2, par. 2-154)

Sec. 2-154. Assignment. Except as provided in this Article, all moneys in the fund created by this Article, and all securities and other property of the System, and all annuities and other benefits payable under this Article, and all accumulated contributions and other credits of participants in this system, and the right of any person to receive an annuity or other benefit under this Article, or a refund or return of contributions, shall not be subject to judgment, execution, garnishment, attachment or other seizure by process, in bankruptcy or otherwise, nor to sale, pledge, mortgage or other alienation, and shall not be assignable. However, a person receiving an annuity or benefit, or refund or return of contributions, may authorize withholding from such annuity, benefit, refund or return of contributions in accordance with the provisions of the "State Salary and Annuity Withholding Act", approved August 21, 1961, as now or hereafter amended.

The General Assembly finds and declares that the amendment to this Section made by this amendatory Act of 1989 is a clarification of existing law, and an indication of its previous intent in enacting and amending this Section. Notwithstanding Section 1-103.1, application of this amendment shall not be limited to persons in service on or after the effective date of this amendatory Act of 1989.

(Source: P.A. 86-273.)

(40 ILCS 5/2-155) (from Ch. 108 1/2, par. 2-155)

Sec. 2-155. Fraud.

Any person who knowingly makes any false statement, or falsifies or permits to be falsified any record of this system, in any attempt to defraud the system, is guilty of a petty offense.

(Source: P.A. 77-2560.)

(40 ILCS 5/2-156) (from Ch. 108 1/2, par. 2-156)

Sec. 2-156. Felony conviction. None of the benefits herein provided for shall be paid to any person who is convicted of any felony relating to or arising out of or in connection with his or her service as a member.

This Section shall not operate to impair any contract or vested right acquired prior to July 11, 1955 under any law or laws continued in this Article, nor to preclude the right to a refund.

All participants entering service subsequent to July 11, 1955 shall be deemed to have consented to the provisions of this Section as a condition of participation.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-157) (from Ch. 108 1/2, par. 2-157)

Sec. 2-157. Administrative review. The provisions of the Administrative Review Law, and all amendments and modifications thereof and the rules adopted pursuant thereto, shall apply to and govern all proceedings for the judicial review of final administrative decisions of the retirement board provided for under this Article. The term "administrative decision" is as defined in Section 3-101 of the Code of Civil Procedure.

(Source: P.A. 82-783.)

(40 ILCS 5/2-158) (from Ch. 108 1/2, par. 2-158)

Sec. 2-158. General provisions and savings clause.

The provisions of Article 1 and Article 23 of this Code apply to this Article as though such provisions were fully set forth in this Article as a part thereof.

(Source: Laws 1963, p. 161.)

(40 ILCS 5/2-160) (from Ch. 108 1/2, par. 2-160)

Sec. 2-160. Savings clause. The repeal or amendment of any Section or provision of this Article by this amendatory Act of 1984 shall not affect or impair any pensions, benefits, rights or credits accrued or in effect prior thereto.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-161) (from Ch. 108 1/2, par. 2-161)

Sec. 2-161. Application of amendments. The amendments to Sections 2-119.1 and 2-126 of this Code made by this amendatory Act of 1993 shall apply to persons who are active contributors to this System on or after November 30, 1992. A person who was an active contributor to the System on November 30, 1992 but is no longer an active contributor may apply for any additional benefits authorized by those amendments until 60 days after the effective date of this amendatory Act of 1993; if the person is an annuitant, the resulting increase in annuity shall begin to accrue on the first day of the month following the month in which application for the benefit and any required contribution are received by the System.

(Source: P.A. 87-1265.)

(40 ILCS 5/2-162)

Sec. 2-162. Application and expiration of new benefit increases.

(a) As used in this Section, "new benefit increase" means an increase in the amount of any benefit provided under this Article, or an expansion of the conditions of eligibility for any benefit under this Article, that results from an amendment to this Code that takes effect after the effective date of this amendatory Act of the 94th General Assembly.

(b) Notwithstanding any other provision of this Code or any subsequent amendment to this Code, every new benefit increase is subject to this Section and shall be deemed to be granted only in conformance with and contingent upon compliance with the provisions of this Section.

(c) The Public Act enacting a new benefit increase must identify and provide for payment to the System of additional funding at least sufficient to fund the resulting annual increase in cost to the System as it accrues.

Every new benefit increase is contingent upon the General Assembly providing the additional funding required under this subsection. The Commission on Government Forecasting and Accountability shall analyze whether adequate additional funding has been provided for the new benefit increase and shall report its analysis to the Public Pension Division of the Department of Financial and Professional Regulation. A new benefit increase created by a Public Act that does not include the additional

funding required under this subsection is null and void. If the Public Pension Division determines that the additional funding provided for a new benefit increase under this subsection is or has become inadequate, it may so certify to the Governor and the State Comptroller and, in the absence of corrective action by the General Assembly, the new benefit increase shall expire at the end of the fiscal year in which the certification is made.

(d) Every new benefit increase shall expire 5 years after its effective date or on such earlier date as may be specified in the language enacting the new benefit increase or provided under subsection (c). This does not prevent the General Assembly from extending or re-creating a new benefit increase by law.

(e) Except as otherwise provided in the language creating the new benefit increase, a new benefit increase that expires under this Section continues to apply to persons who applied and qualified for the affected benefit while the new benefit increase was in effect and to the affected beneficiaries and alternate payees of such persons, but does not apply to any other person, including without limitation a person who continues in service after the expiration date and did not apply and qualify for the affected benefit while the new benefit increase was in effect.

(Source: P.A. 94-4, eff. 6-1-05.)